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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION**

EPIC GAMES, INC.

Plaintiff, Counter-defendant
v.

APPLE INC.,

Defendant, Counterclaimant

Case No. 4:20-cv-05640-YGR

**DECLARATION OF ALEX ROMAN IN
SUPPORT OF APPLE INC.'S OPPOSITION
TO EPIC GAMES, INC.'S MOTION TO EN-
FORCE INJUNCTION**

The Honorable Yvonne Gonzalez Rogers

REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

1 I, Alex Roman, hereby declare as follows:

2 1. I am a Vice President of Finance at Apple Inc. and am responsible for, among other
3 things, supporting our Services business, which includes the App Store. Prior to my current position, I
4 was the Senior Director of Finance and Business Management supporting Worldwide Product Marketing
5 at Apple for 5 years. Before Apple, I held positions at Thomson Reuters as Vice President of Finance,
6 at Amgen as Treasury Senior Manager, and at General Motors as Treasury Manager of the New York
7 Treasurer's Office, among various other roles in finance over the past 25 years.

8 2. In my current role, I work extensively on financial controllership, forecasting, planning,
9 and analysis related to Apple's key products and services, including the App Store, and have a deep
10 knowledge and understanding of the financial drivers and performance associated with the App Store.

11 3. As part of my current role, I work closely with different senior leaders who make pricing
12 decisions for different products and services. When Apple needs to make a pricing decision, the senior
13 leaders responsible for that product or service will convene what Apple sometimes refers to as a price
14 committee (the "Price Committee"). Alongside members of other Apple teams, I assisted in creating a
15 presentation for the Price Committee responsible for determining the commission structure for Apple's
16 "StoreKit External Purchase Link Entitlement (US)"¹ ("Link Entitlement") program (the "Price Com-
17 mittee Deck"), which recommended the commission structure that the Price Committee ultimately
18 adopted. A copy of that deck is attached as Exhibit 1. I was principally responsible for directing, re-
19 viewing, and presenting the financial impact of the various pricing options, as well as articulating a set
20 of options within the Price Committee Deck to the Price Committee, and I have personal knowledge of
21 the facts testified to herein.

22 **APPLE ENGAGED EXPERT GUIDANCE PRIOR TO ADOPTING THE 27% STANDARD**
23 **COMMISSION RATE AND 7-DAY TIME WINDOW FOR LINK ENTITLEMENT**

24 4. Apple's Link Entitlement permits any developer to apply to include in apps on the U.S.
25 storefronts of the iOS and iPadOS App Stores information about alternative purchase options and a link
26 to the developer's external website.

27 _____
28 ¹ Terms used herein are defined within the Declaration of Matthew Fischer Regarding Compliance with UCL Injunction. Dkt. 871-1.

1 5. Apple charges developers a 27% commission on digital goods and services transactions
2 that take place on a developer's website within 7 days after a user taps through an External Purchase
3 Link from the system disclosure sheet to an external website.

4 6. Developers eligible for and participating in the App Store Small Business Program are
5 charged a 12% commission on purchases made within 7 days after a user taps on an External Purchase
6 Link and continues from the system disclosure sheet to an external website. Auto-renewals in the second
7 year or later of an auto-renewing subscription that was purchased within 7 days after a user taps through
8 an External Purchase Link are also charged a 12% commission.

9 7. Apple's commission has always been set based on Apple's evaluation of the value of its
10 services and the pricing of competitors or comparable platforms. In this case, prior to determining its
11 commission structure for Link Entitlement, Apple also engaged an outside consultant, Analysis Group.

12 Analysis Group [REDACTED]
13 [REDACTED]. I incorpo-
14 rated certain aspects of Analysis Group's findings in the Price Committee Deck provided to the Price
15 Committee.

16 **APPLE CONSIDERED THE** [REDACTED]
17 [REDACTED]

18 8. The Price Committee Deck [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]
25 [REDACTED] [REDACTED]
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[REDACTED]

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[REDACTED]

APPLE CONSIDERED

1 APPLE CONSIDERED [REDACTED]

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16 [REDACTED]
17 [REDACTED]
18 [REDACTED]

19 APPLE ESTIMATED [REDACTED]

20 [REDACTED]
21 21. The Price Committee also [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]
25 [REDACTED]
26 [REDACTED]
27 [REDACTED]
28 [REDACTED]

Item	Percentage
1	100%
2	100%
3	55%
4	10% (0-10%), 100% (20-100%)
5	25% (0-25%), 100% (30-100%)
6	100%
7	100%
8	100%
9	100%
10	100%
11	100%
12	100%
13	40%
14	10% (0-10%), 100% (20-100%)
15	100%
16	10%
17	10% (0-10%), 100% (20-100%)
18	100%
19	100%
20	100%
21	100%
22	100%
23	100%
24	100%
25	25%
26	10% (0-10%), 100% (20-100%)
27	100%
28	0%

28. Based on the information summarized in the Price Committee Deck, Apple's Price Committee accepted the recommendation that Apple adopt a 27% standard commission rate, and 12% commission rate for the Small Business Program, for transactions effected within 7 days after a user taps through an External Purchase Link from the system disclosure sheet to an external website. For program eligibility, the Price Committee determined that developers in the Small Business Program and Tenured Subscriptions will be eligible for the Link Entitlement, while apps in the Video Partner Program and News Partner Program will not be. *See id.* at 2, 14.

CONFIDENTIALITY OF APPLE'S FINANCIAL ANALYSIS AND PRICING DECISIONS


29. I have reviewed Apple's Opposition to Epic Games, Inc.'s Motion to Enforce Injunction (the "Opposition").

30. Based on my review, I believe that the Opposition, this declaration, and Exhibit 1, contain certain information that is confidential, proprietary, and/or commercially sensitive. These documents contain information on Apple's internal decision-making regarding financial analyses and pricing decisions that were made just months ago. If this information were made public, it would create a substantial risk of competitive, financial, or other injury to Apple.

31. I understand that Apple has taken great lengths to shield this information to the extent possible. Given the sensitive nature of these records, they have been kept strictly confidential in the ordinary course of business.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on April 12, 2024

By: 
Alex Roman